

The Missouri Public Service Commission

Informed Consumers, Quality Utility Services, and a Dedicated Organization for Missourians in the 21st Century



YOUR NATURAL GAS BILL

Your natural gas bill is based primarily on the volume of gas delivered to your residence or business, and the per unit price of that gas. It consists of three main parts:

Commodity costs – the cost of the gas itself. The local gas company passes the commodity cost to you without any additional markup or profit. This is unregulated; the marketplace dictates price, not a federal or state agency.

Transportation costs – to move the gas by pipeline from its source (e.g., the Gulf Coast) to your local gas company (or utility). Regulated by the Federal Energy Regulatory Commission (FERC).

Distribution costs – to bring the natural gas to your residence. Regulated by the Missouri Public Service Commission.

Billing Information (See sample bill on back)

Purchased Gas Adjustment (PGA) – The PGA reflects the wholesale cost of gas paid by the company to its suppliers. The local natural gas company may adjust rates -- up or down -- a maximum of four times a year to reflect projected gas costs from suppliers. The actual wholesale cost of natural gas represents approximately 65 to 80 percent of a customer's bill.

Customer Charge – This charge is the same every month. However, each customer class -- residential, commercial and industrial -- pays a different rate. The charge is designed to allow the company to recover a portion of its cost of operation and a rate of return on its investment. Regardless of use, the company still must maintain and operate the facilities necessary to serve its customers.

Energy Charge – This charge represents what the company charges per unit of gas (Ccf or therm) delivered to each customer. This charge is designed to allow the company to recover operational costs not covered by the Customer Charge, such as pipes, wages, equipment, supplies and other expenses, including an authorized rate of return. **Both the Customer Charge and the Energy Charge are regulated by the Missouri Public Service Commission.**

Ccf – Natural gas is sold according to the volume of gas used. Ccf is the abbreviation for 100 cubic feet. A Ccf is approximately equal to a therm. An Mcf is 1,000 cubic feet of gas.

Franchise Fee – This is a tax that is levied by local municipalities which the company collects and passes on to those cities. This fee varies from city to city and is not regulated by the Public Service Commission.

Key Factors That Affect Price

A prolonged cold spell or brief episode of severe winter weather would increase demand in the high-consumption winter months.

Limited natural gas supplies could affect storage inventories and market prices.

Problems in other energy supplies, such as a prolonged disruption in oil supplies could increase gas demand.

For more information



Created in 1913, the Missouri Public Service Commission regulates over 1,000 investor-owned telecommunications, water and sewer, natural gas, electric and steam utilities. The PSC works to ensure that Missouri citizens receive safe, reliable and reasonably priced utility services. If you have an inquiry, billing question or service-related problem that your utility provider cannot answer, please call the PSC at 1-800-392-4211 or visit **www.psc.mo.gov**

YOUR NATURAL GAS BILL BY THE NUMBERS

1 Bill Period: To & From Dates

2 Meter Readings: Subtracting previous reading from present reading calculates how much energy you used.

3 Customer Classification

4 City Taxes or Franchise Fee

5 State Sales Tax

6 Some companies will just list a total gas charge, while other companies will show separate line items for customer and energy charges and PGAs.

7 The fee that can be charged if you pay after the date due.

8 Location of service: Shows address where service was received.

9 Latest payment information

10 Mailing address. This can be different than location of service.

11 Date your payment is due. If paid after date listed, the bill is considered delinquent.

Date of Service	Meter Reading
From/To 1	Past/Present 2
Rate: 3 Anywhere Tax: 4 MO Sales Tax: 5 Current Charges: 6 Late Payment Penalty: 7	

Acct. No. xxxxxx

Amount Due: \$xxx.xx on 1/1 Past Due On: 1/15

Service At: Your Residence or Business **8**

Your Last Payment: 12/1 \$xxx.xx **9**

Acct. No. xxxxxx

Bill Date: 12/15

John Doe
Street Address
Anywhere, USA **10**

The above is designed for information purposes to give natural gas customers an idea of what a typical bill may look like. Please note that all PSC-regulated natural gas companies do not issue uniform bills.